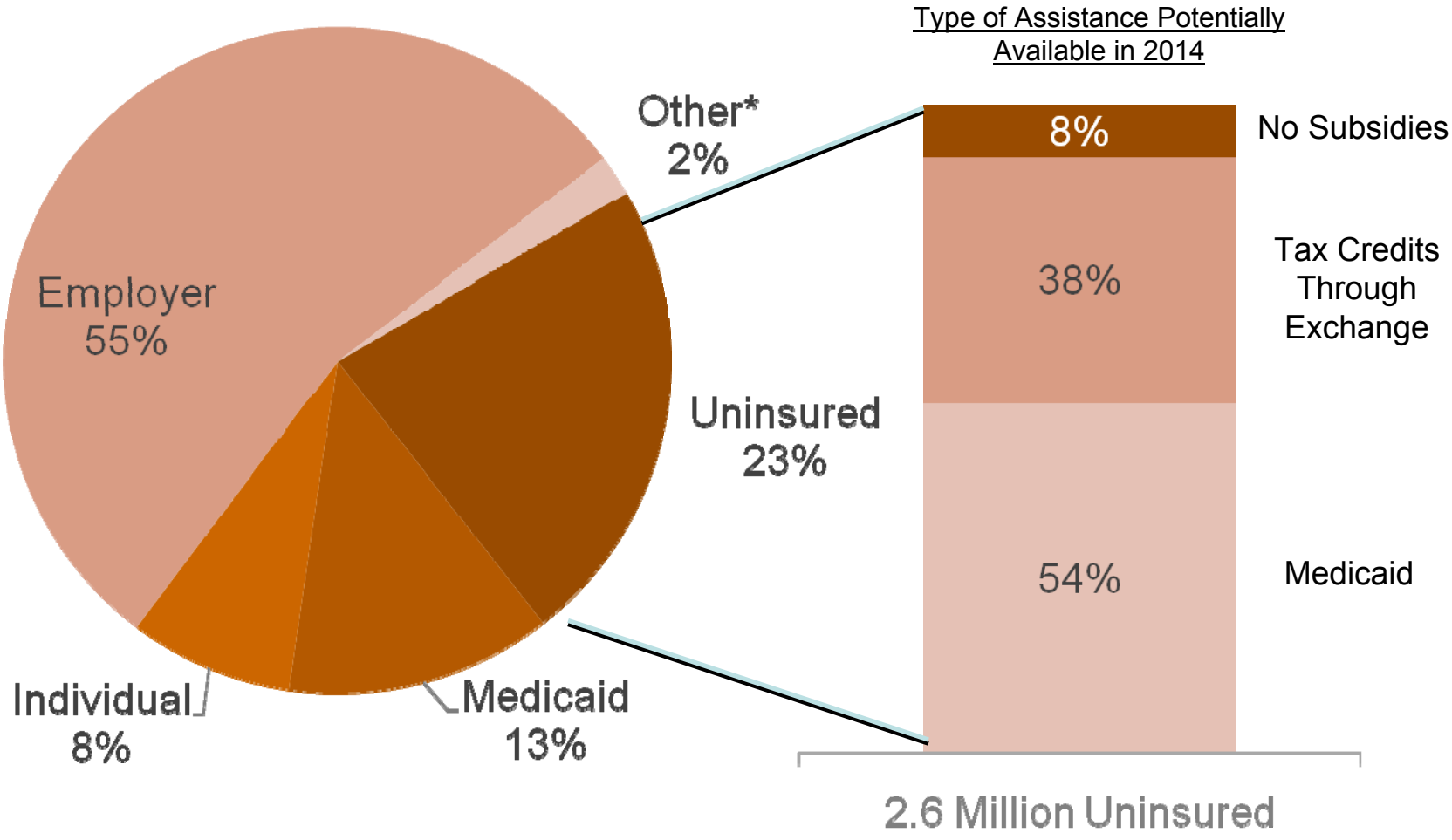
Health Care Reform: What Women Gain & Lose

Terri Thorfinnson, J.D.

Office of Women's Health
California Department's of Public Health
and Health Care Services

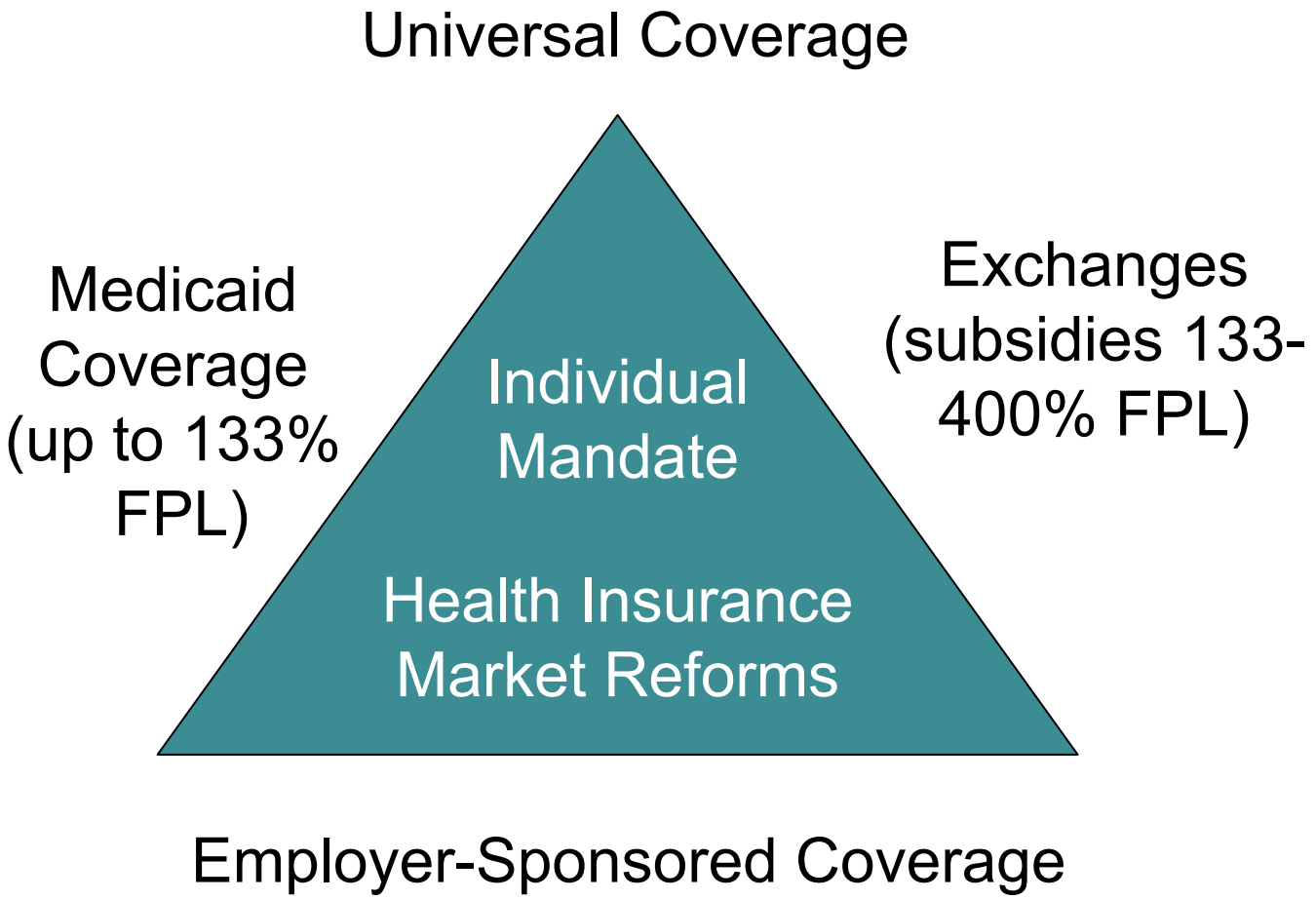
Assistance For Uninsured California Women

11.5 million women ages 18-64 in CA
(2008/2009)

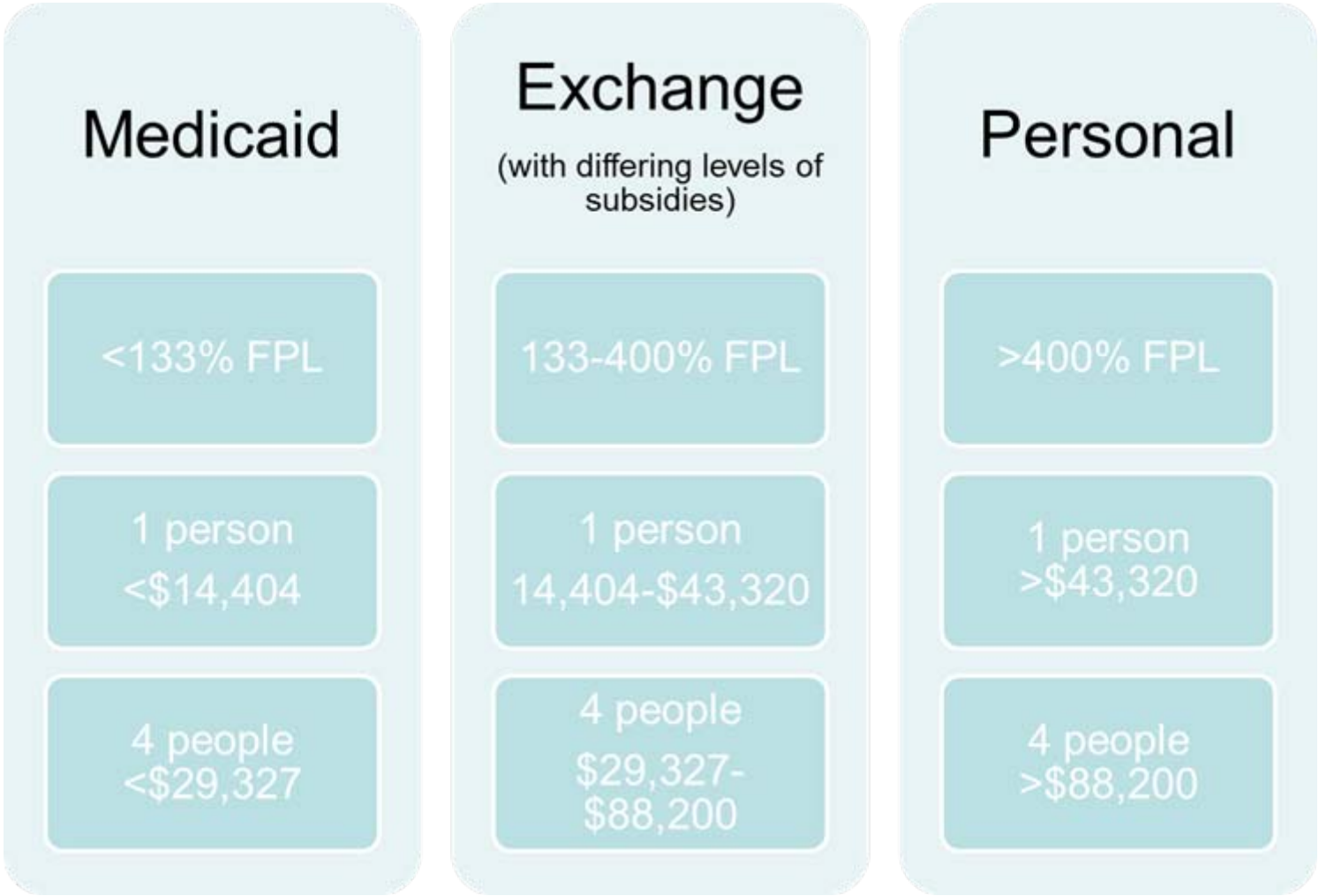


(source KFF.org)

Promoting Health Coverage



Insurance Expansion



Implementation Timeline

2010

- Some insurance market changes—no cost-sharing for preventive services, dependent coverage to age 26, no lifetime caps
- Pre-existing condition insurance plan
- Small business tax credits
- Premium review

2011-2013

- No cost-sharing for preventive services in Medicare and Medicaid
- Increased payments for primary care
- Reduced payments for Medicare providers and health plans
- New delivery system models in Medicare and Medicaid
- Tax changes and new health industry fees

2014

- Medicaid expansion
- Health Insurance Exchanges
- Premium subsidies
- Insurance market rules—prohibition on denying coverage or charging more to those who are sick, standardized benefits
- Individual mandate
- Employer requirements

Benefits

Benefits Terminology

- Essential Benefits
- Benchmark Benefits for Medicaid expansion
- Preventive Services Benefits not subject to a co-pay
- “Additional Preventive Services” for women to be determined by IOM over next year.
- Exchange benefits—Tiered levels: platinum, gold, silver, bronze, catastrophic

Essential Benefits

The Federal HHS Secretary must define the essential health benefits, with the proviso that these benefits must include at least the following items and services:

- ambulatory patient services;
- emergency services;
- hospitalization;
- **maternity and newborn care**;
- **mental health and substance use disorder services, including behavioral health treatment**;
- prescription drugs;
- rehabilitative and habilitative services and devices;
- laboratory services;
- **preventive and wellness services** and chronic disease management; and
- pediatric services, including oral and vision care.

Essential Benefits

- The Federal HHS Secretary must also ensure that the scope of these essential health benefits are equal in scope to the benefits provided under a typical employer health plan.
- Provide that qualified health plans include emergency department services (without prior authorization or limitations on coverage), regardless of whether the emergency services provider has a contractual relationship with the plan, and cost-sharing requirements are equivalent for out-of-network and in-network emergency services
- A separate IOM panel was appointed to study and determine “additional preventive benefits for women.” Those recommendations were adopted by HHS and will go into effect August 2012.

Figure 12

Essential Health Benefits: Details still lacking

- HHS to make the final determination
- IOM report commissioned to recommend a process of establishing benefits. Committee recommends:
  - Set a dollar target – reflecting the current average cost of a small business health insurance plan – as the benchmark for decisions about what to include and not include in the essential health benefits package.
  - State insurance mandates not automatically be included, but reviewed with all other potential benefits.
- More details expected May 2012

What Women Gain in Reproductive Health Services

- **Direct access to Ob-Gyns (qualify as a medical home)**
- **Ends pre-existing coverage exclusions for women who are pregnant, prior c-section, domestic violence history**
- **Maternity Care**
  - **Maternity and newborn care defined as essential benefit in plans**
  - **Medicaid coverage for all newborns who lack acceptable coverage**
  - **Tobacco cessation for all pregnant women**
  - **Grants to states for home visitation programs**
  - **Grants to states for postpartum depression services**
  - **Workplace breastfeeding protections for nursing mothers**
  - **Option to cover midwife-led birth centers**
  - **Teen Pregnancy Prevention**
    - **Establishes a new state program for evidence based education to reduce teen pregnancy and STIs. ($75m/year)**
    - **Restores Abstinence Only Funding ($50m/year)**
- **STIs/HIV**
- **Screening for HIV, Chlamydia, Gonorrhea, Syphilis considered preventive services in benefit package in Medicaid and Medicare (no cost sharing effective 2011) and Exchange plans (2014)**

  - **Source: Alina Salganicoff, KFF.org**

Figure 10

Adult Preventive Services to be Covered by Private Plans Without Cost Sharing

Cancer	Chronic Conditions	Immunizations	Healthy Behaviors	Pregnancy-Related**	Reproductive Health
✓Breast Cancer – Mammography for women 40+* – Genetic (BRCA) screening and counseling – Preventive medication counseling ✓Cervical Cancer – Pap testing (women 18+, – High-risk HPV DNA testing ♀ ✓Colorectal Cancer - One of following: fecal occult blood testing, colonoscopy, sigmoidoscopy	✓Cardiovascular health - Hypertension screening - Lipid disorders screenings - Aspirin ✓Type 2 Diabetes screening (adults w/ elevated blood pressure) ✓Depression screening (adults, when follow up supports available) ✓Osteoporosis screening (all women 65+, women 60+ at high risk) ✓Obesity Screening (all adults) Counseling and behavioral interventions (obese adults)	✓Td booster, Tdap ✓MMR ✓Meningococcal ✓ Hepatitis A, B ✓Pneumococcal ✓Zoster ✓Influenza, ✓Varicella ✓HPV (women 19-26)	✓Alcohol misuse screening and counseling (all adults) ✓Intensive healthy diet counseling (adults w/high cholesterol, CVD risk factors, diet-related chronic disease) ✓Tobacco counseling and cessation interventions (all adults) ✓Interpersonal and domestic violence screening and counseling (women 18-64)♀ ✓Well-woman visits (women 18-64) ♀	✓Tobacco and cessation interventions ✓Alcohol misuse screening/counseling ✓Rh incompatibility screening ✓Gestational diabetes screenings♀ - 24-28 weeks gestation - First prenatal visit (women at high risk for diabetes) ✓Screenings - Hepatitis B - Chlamydia (<24, hi risk) - Gonorrhea - Syphilis - Bacteriurea ✓Folic acid supplements (women w/repro capacity) ✓Iron deficiency anemia screening ✓Breastfeeding Supports - Counseling - Consultations with trained provider♀ - Equipment rental♀	✓STI and HIV counseling (adults at high risk; all sexually-active women♀) ✓Screenings: - Chlamydia (sexually active women ≤24y/o, older women at high risk) - Gonorrhea (sexually active women at high risk) - Syphilis (adults at high risk) - HIV (adults at high risk; all sexually active women♀) ✓**Contraception** (women w/repro capacity) ♀ - All FDA approved methods as prescribed, - Sterilization procedures - Patient education and counseling

Sources: U.S. DHHS, "Recommended Preventive Services." Available at http://www.healthcare.gov/center/regulations/prevention/recommendations.html.
More information about each of the services in this table, including details on periodicity, risk factors, and specific test and procedures are available at the following websites:
USPSTF: http://www.uspreventiveservicestaskforce.org/recommendations.htm
ACIP: http://www.cdc.gov/vaccines/pubs/ACIP-list.htm#comp HRSA Women's Preventive Services: http://www.hrsa.gov/womensguidelines/

Additional Preventive Services for Women With No Co Pay

- Comprehensive family planning services
- Annual comprehensive well women visit that includes preconception, interconception, prenatal care, screening for intimate partner violence,counseling
- Screening of all women for HIV/AIDS
- HPV screening with DNA test
- Free rental of breastfeeding pumps

Missing benefits

- Abortion
- Fertility services
- Eating disorders

Abortion Restricted

- Medicaid restrictions:
  - Hyde Amendment = no federal funding except for rape, incest, life endangerment
  - CA = state-funding for abortions
- Pre-Existing Condition Insurance Pools – PCIP
  - No abortion coverage
    - CA covers abortion in state-funded high risk pool; but not in new PCIP
    - Contrary to standards of care: Women with chronic diseases often most in need of contraceptives and abortion services

Abortion Access: Restricted in health exchanges

- Restrictions in the Exchange – Nelson Amendment
  - States can ban abortion outright
  - No “subsidy” funds can be used for abortion except for rape, incest, life endangerment
  - If plans cover abortion:
    - Every “enrollee” has to make 2 payments – one for regular coverage, one for abortion coverage
    - Plans must segregate funds; separate abortion payments from other payments; pay abortion claims out of segregated funds

Abortion Access: Opportunity to Influence health exchanges

- HHS to issue regulations
- Preliminary guidance leaves flexibility to State
  - Insurance Commissioner
  - Agency that regulates the exchange
- On-going opportunities to provide comment and input at state and federal level

Exchange Plan Benefits

Four categories of health plans will be offered in the exchange and a catastrophic plan will be available in the individual market:

- **Bronze Plan -** provides a minimum level of creditable coverage: provides essential health benefits; covers 60 percent of the actuarial equivalent of the benefit costs
- **Silver Plan** – provides essential health benefits; covers 70 percent of the benefit costs;
- **Gold Plan** – provides essential health benefits; covers 80 percent of the benefit costs;
- **Platinum Plan** – provides essential health benefits; covers 90 percent of the benefit costs;

Exchange Plan Benefits

Catastrophic Plan: provides catastrophic coverage only in the individual market

- for those up to age 30 who are not required to purchase coverage
- or that they are without affordable coverage or are experiencing hardship

Medi-Cal Expansion

- **Newly eligible populations in Medi-Cal**
  - **Single and/or childless men and women**
  - **Lesbians who are childless**
  - **Older women whose children are over age 18**

- **Expands mandatory Medicaid eligibility on January 1, 2014, to childless adults up to 133% of the federal poverty level (FPL)**

- **Allows early expansion by States**

Benchmark Benefits

- Affordable Care Act (ACA) Requires “Benchmark Benefits” for newly eligible beneficiaries

- The federal HHS Secretary has designated that the Benchmark Benefit package for newly eligible Medicaid beneficiaries must include both the Essential Benefits and the “Additional Preventive Services benefits.

Who's Eligible for Coverage under the California Health Exchange

Figure 4

The Health Insurance Exchange

- **Individuals without other coverage and small employers (up to 100 workers) will be able to purchase coverage through state-based exchanges in 2014**
- **Premium and cost-sharing subsidies available**
  - Premium tax credits for eligible individuals and families with incomes up to 400% of poverty (est. $94,000 for family of 4 in 2014) purchasing coverage in Exchanges
  - Cost sharing subsidies for those with incomes 100-250% FPL to reduce out-of-pocket costs
- **Applicants must verify income and citizenship status-undocumented residents ineligible for assistance on the exchange**

Figure 5

Employer Requirements and Incentives

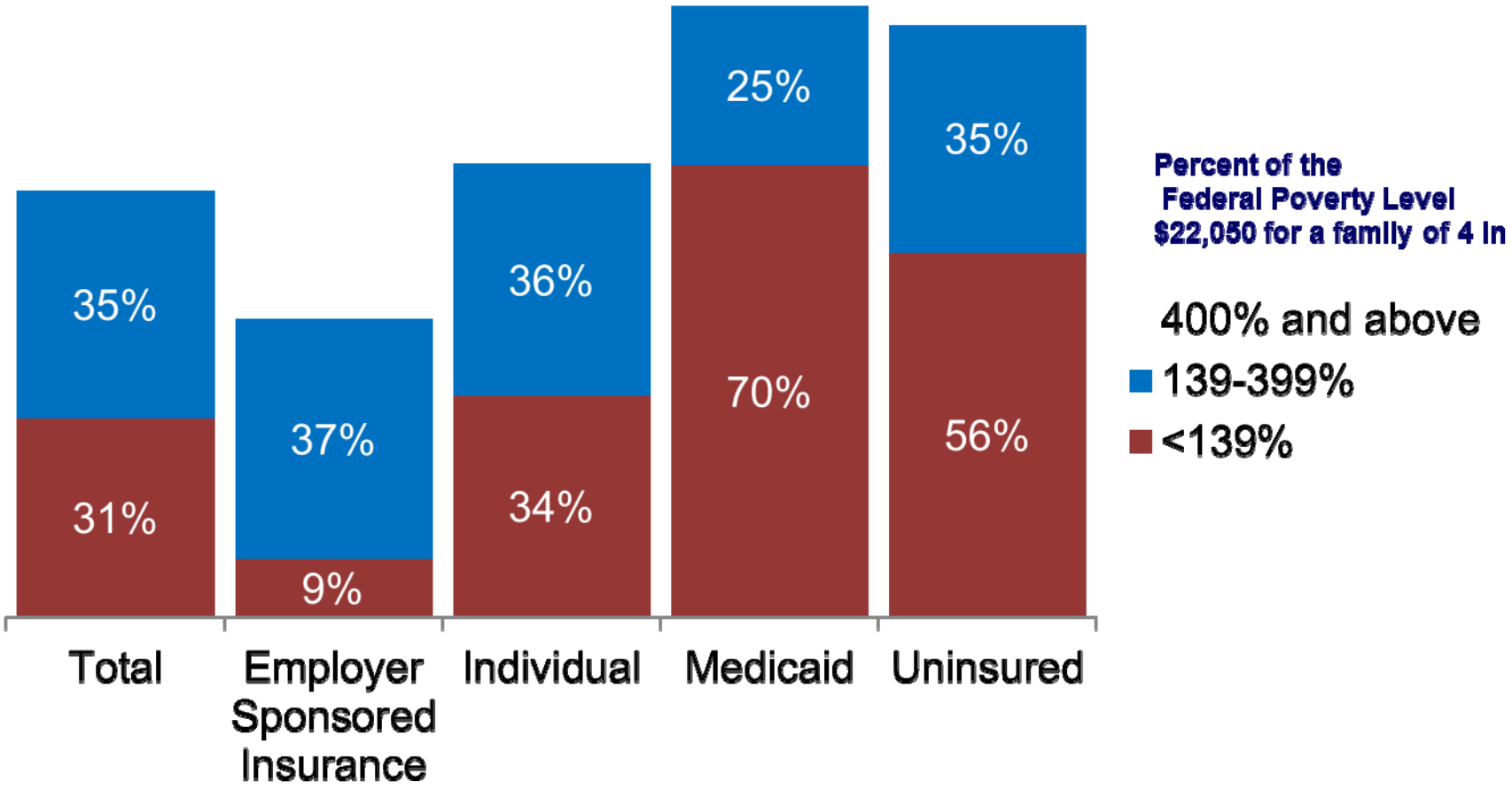
- Larger employers that don't offer affordable coverage will face penalties of up to $2,000 per full-time worker per year beginning in 2014
- Small employers with up to 50 employees will be exempt from penalties
- Tax credits available for some small businesses that offer health benefits

Affordability

Figure 13

Many Californian Women are Low-income: Affordability of Care is KEY

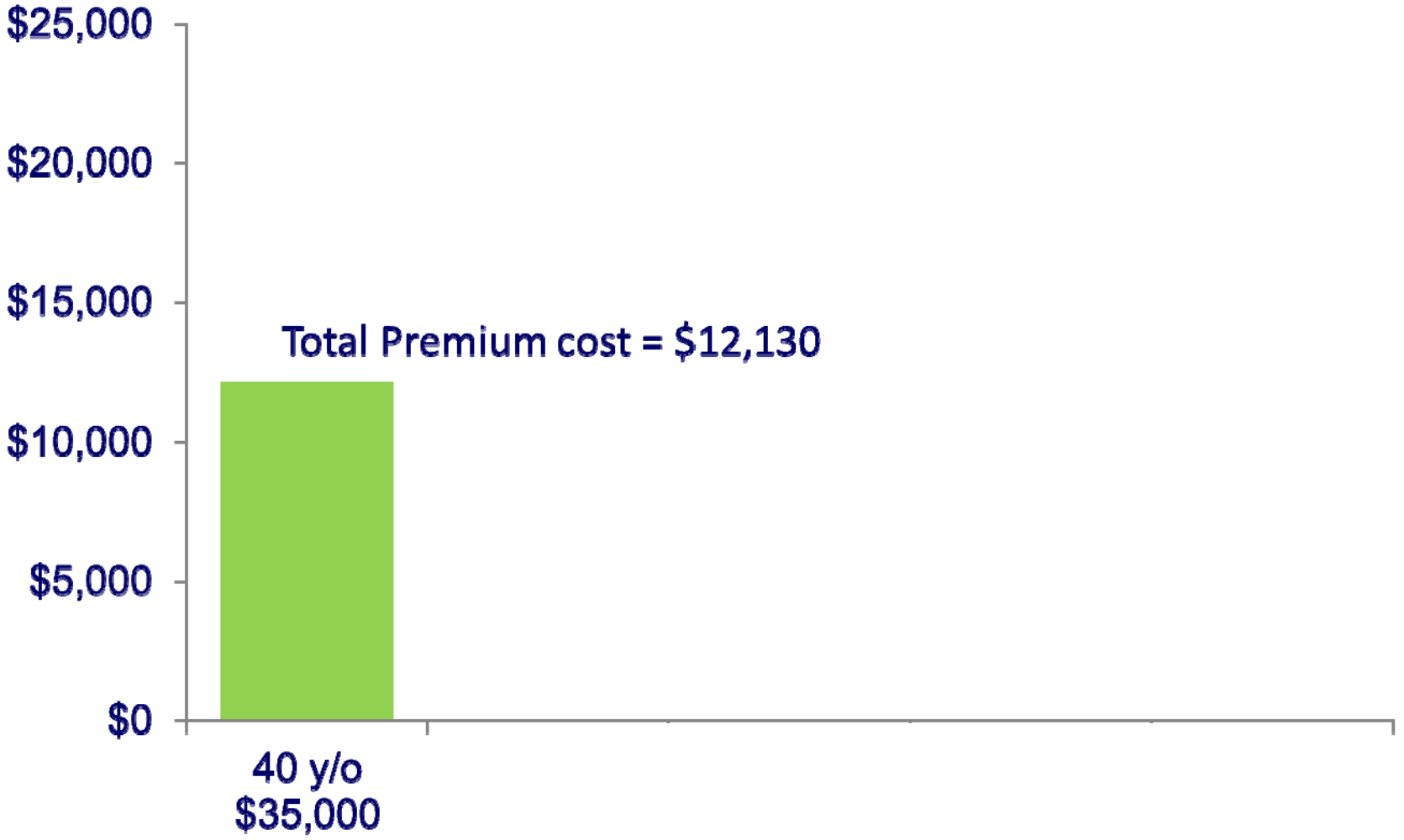
Income distribution by type of insurance, women 18-64, California, 2009-2010



Source: KFF/Urban Institute (UI) tabulations of 2010 and 2011 ASEC Supplement to the CPS revised data. UI analysis of 2011 ASEC Supplement to the CPS, U.S. Census Bureau. In 2011, the Census Bureau adjusted the imputation methodology for variables related to insurance coverage.

Figure 14

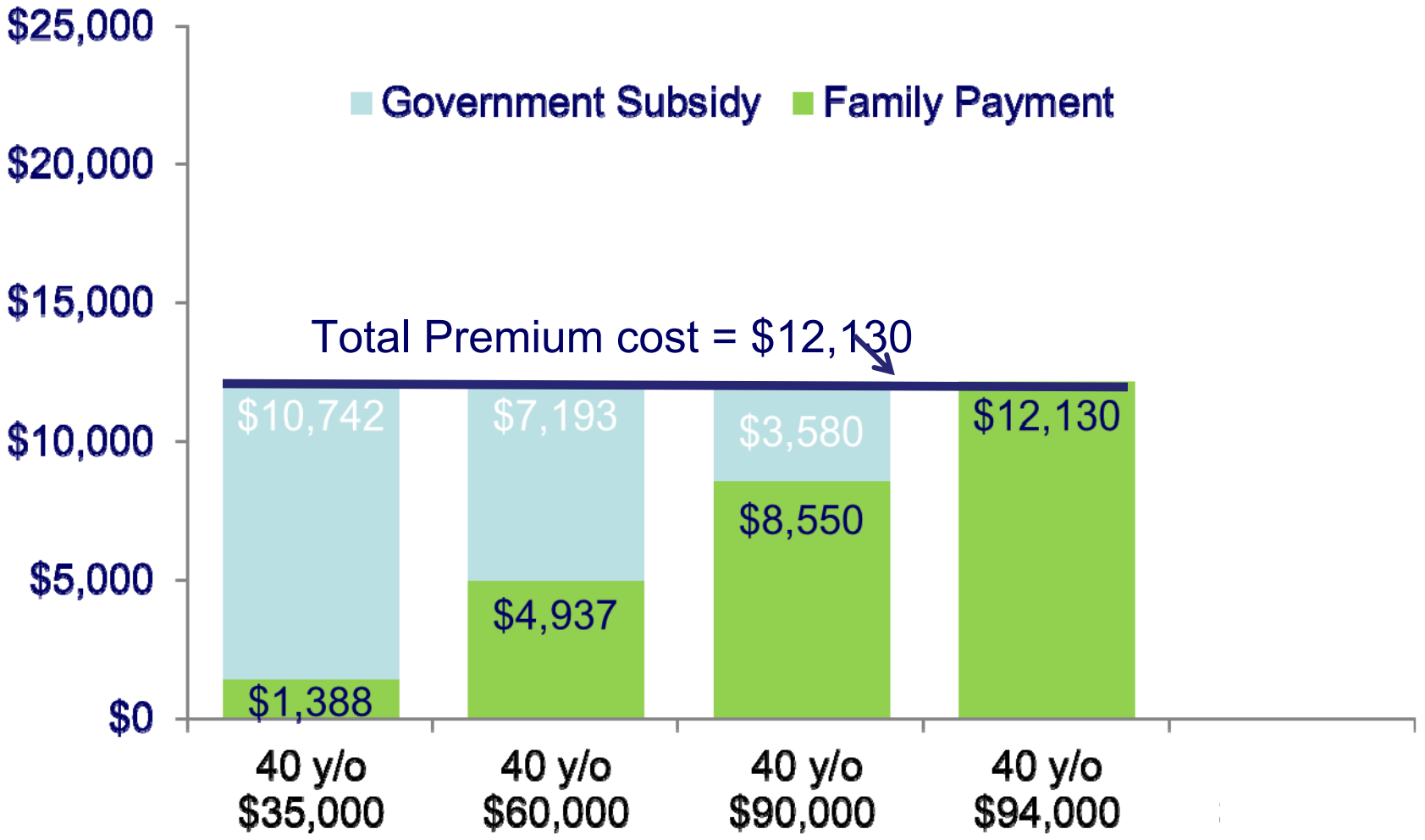
Household Spending on Family Premium Will Depend on Income and Age



Source: *Kaiser Health Reform Subsidy Calculator,* 2011.

Figure 15

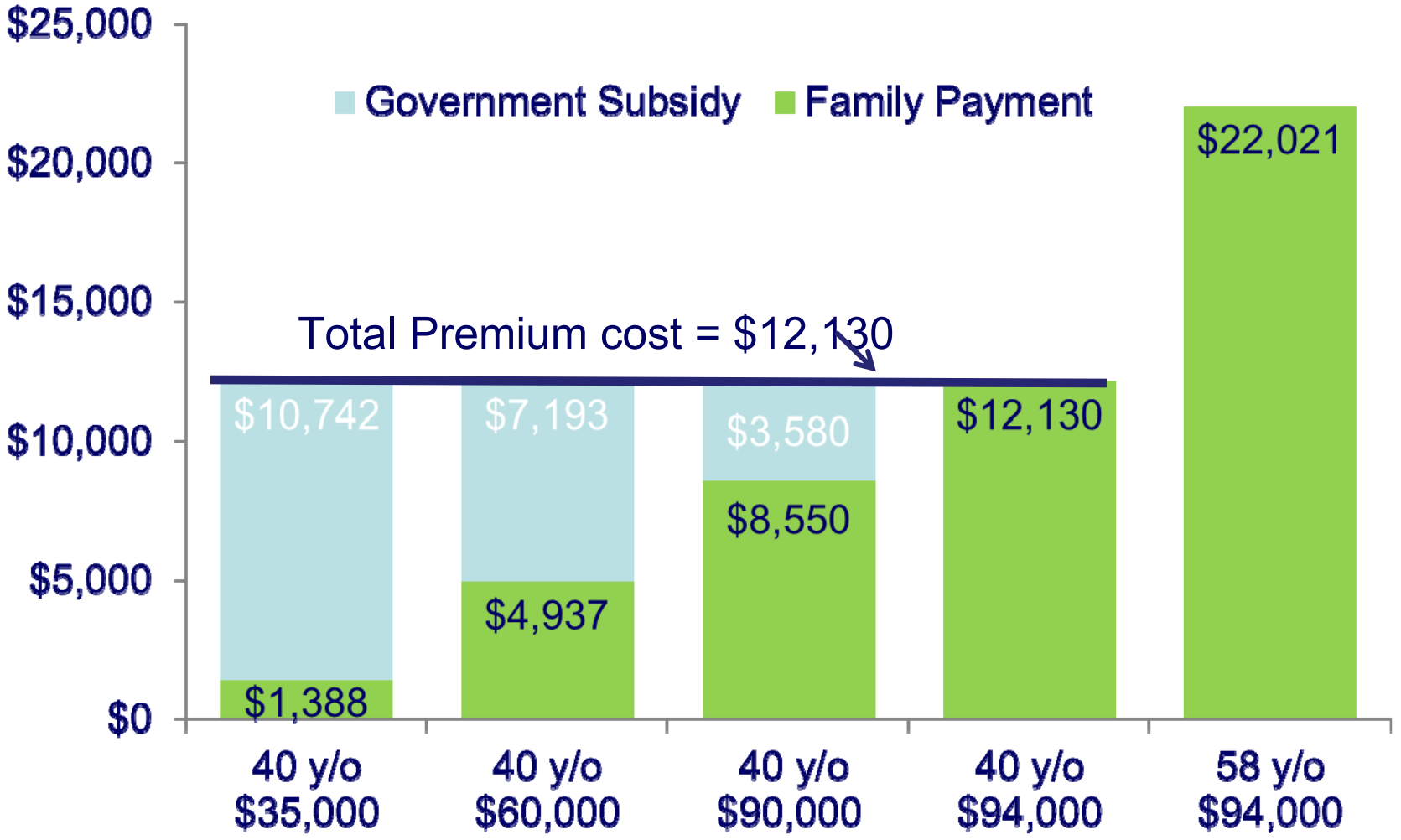
Household Spending on Family Premium Will Depend on Income and Age



Source: *Kaiser Health Reform Subsidy Calculator,* 2011.

Figure 16

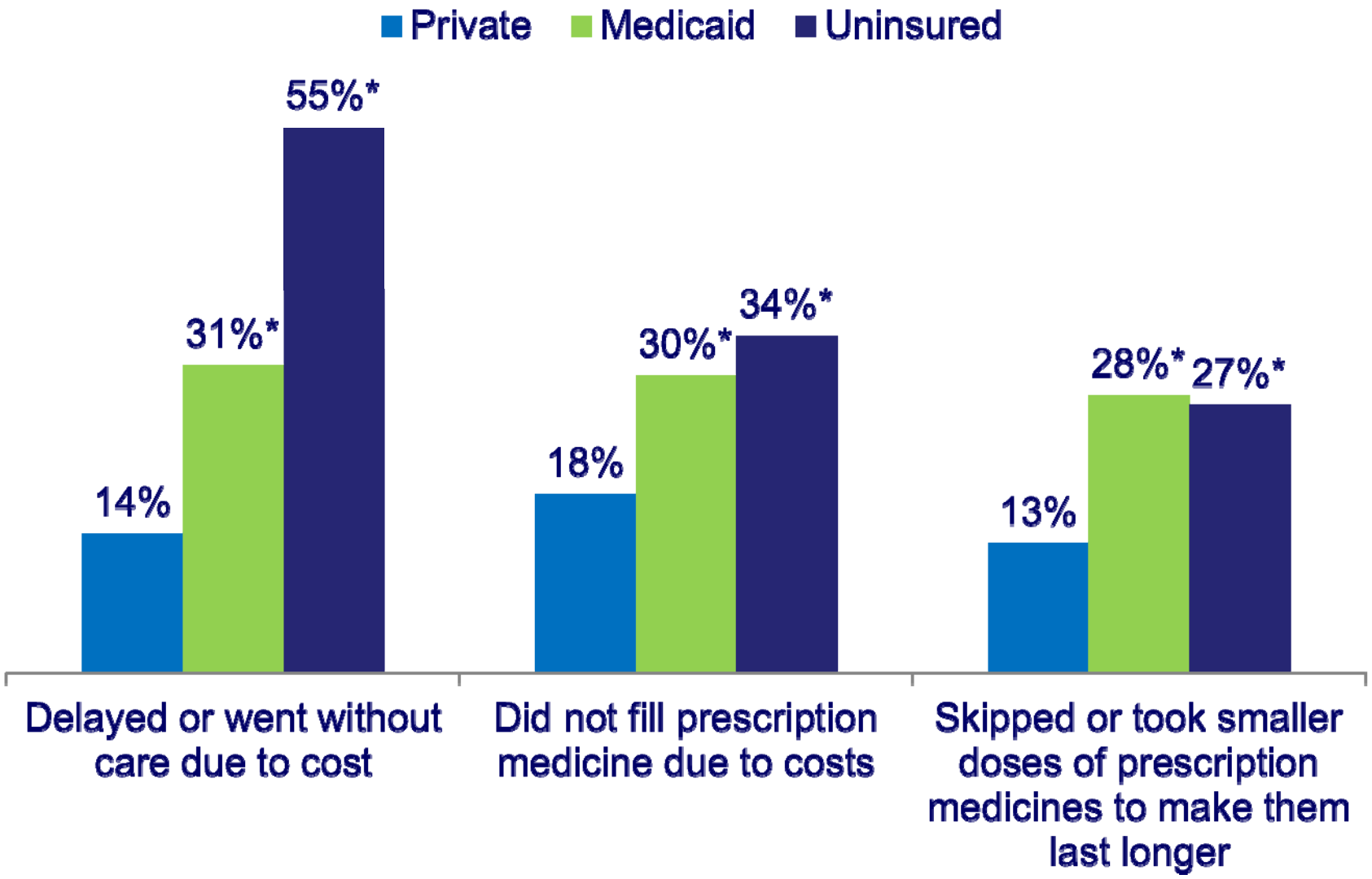
Household Spending on Family Premium Will Depend on Income and Age



Source: *Kaiser Health Reform Subsidy Calculator,* 2011.

Figure 17

Costs are Often a Barrier For Many Women, Regardless of Insurance Type

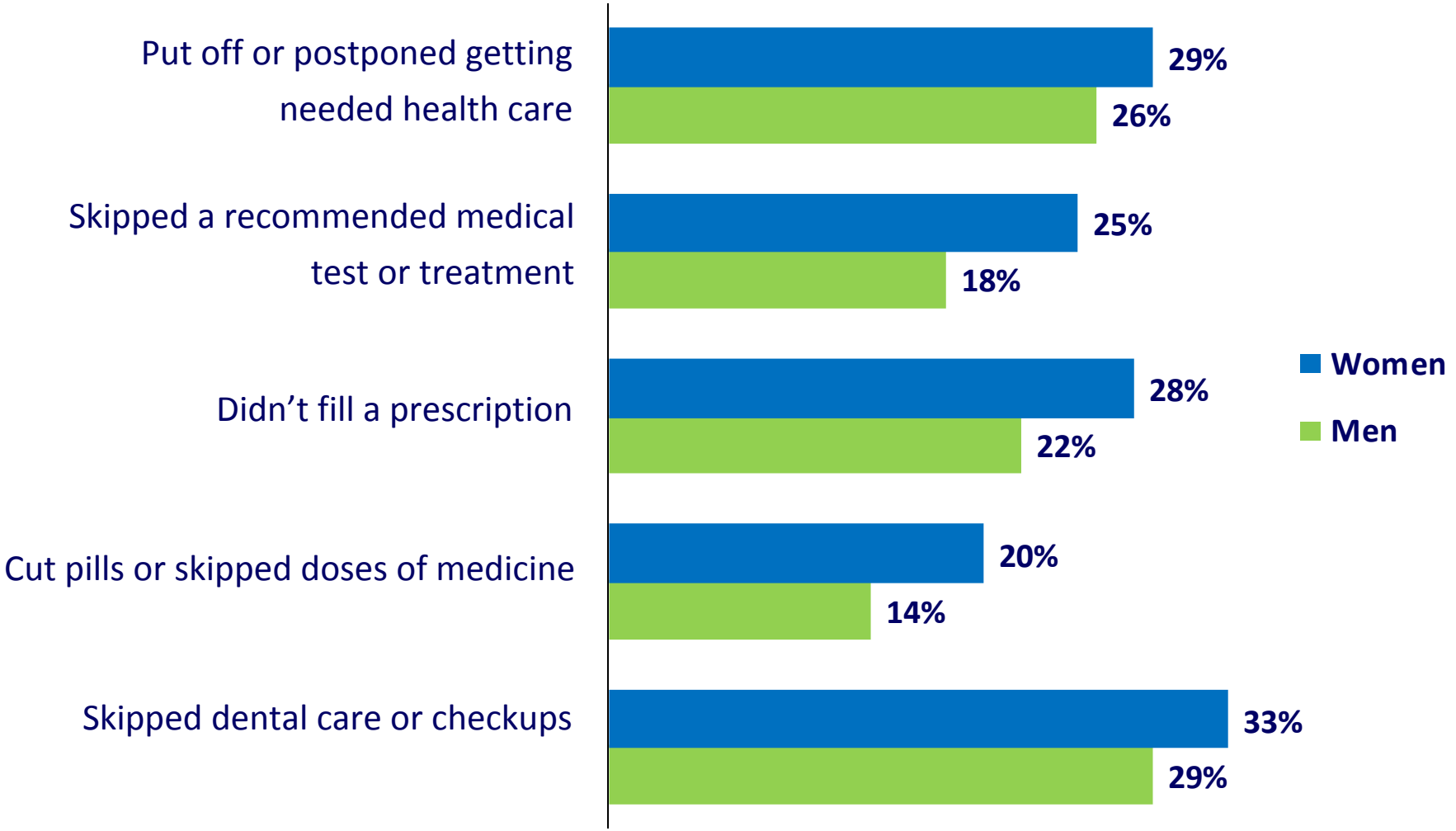


Source: Ranji and Salganicoff, *Kaiser Women's Health Survey*, 2008. *Significantly different from Private, p<.05.

Figure 18

Will Cost Continue to Be a Barrier to Care and Treatment for Women?

Percentage of men and women who say they or a family member have done each of the following in the past year because of COST:



Source: *Kaiser Health Tracking Poll:* (August 2011). *Indicates statistical significance at the 95% level.

Figure 19

But not all will be insured…

- Congressional Budget Office (CBO) estimates 23 million uninsured in 2019
- In CA, estimates about 3.1 million people will be uninsured in 2016
- Who are they?
  - Immigrants who are not legal residents
  - Eligible for Medicaid but not enrolled
  - Exempt from the mandate (most because can't find affordable coverage)
  - Choose to pay penalty in lieu of getting coverage
- Many (most?) remaining uninsured will be low-income
- A robust health care safety net will be essential
  - FamilyPact
  - Public Hospitals
  - Federally Qualified Health Centers/Rural Health Centers

Insurance Market Reform

Key Insurance Reform

- Insurance Reforms
  - Prohibit insurers from charging people more based on gender, health status, or occupation
  - **Bans on pre-existing condition exclusions**
  - **Prohibits annual and lifetime limits on coverage**
  - **Guaranteed issue and renewability (regardless of health status)**
  - **Benefit Standards (uniform benefits packages within tiers of coverage)**

What has been Implemented

- **Five major federal changes went into effect on September 23, 2010:**
  - **Health plan coverage will no longer contain a lifetime or annual cap on the amount the health plan will pay on essential health benefits.** Enrollees in either an HMO or PPO product will no longer have to worry that a catastrophic or chronic illness can push them over the amount that the health plan will cover, and require the enrollee to pay the rest out of pocket. Annual dollar caps on certain benefits will also be eliminated by January 1, 2014.
  - **Uninsured dependent children will be able to remain on their parents' policy until age 26**, if that plan offers dependent coverage. A dependent child whose coverage ended, or who was denied coverage before attaining age 26 and is now eligible for coverage, will have an opportunity to enroll in dependent coverage.
  - **Children under age 19 with pre-existing health conditions cannot be denied health coverage**, regardless of whether their parents have coverage.
  - **Insurance companies will be prohibited from retroactively canceling your policy when you become sick** or when you or your employer made an unintentional mistake on your paperwork.
  - **Plans must provide free preventive care.** All new plans must cover certain preventive services such as mammograms and colonoscopies without charging a deductible, co-pay or coinsurance. Effective for new or renewing health plans.

California Health Exchange

Basic Design Options

- Exchange as market definer and organizer; exchange is the market
- Exchange as Purchaser: Exchange Selectively Contracts with plans
- Exchange as clearing house for all plans offered by all issuers

California's Choice

- **Exchange as Purchaser: Exchange Selectively Contracts with plans**

California Exchange

- Two distinct components to the Exchange – individual and small group
- Health plans participating in the Exchange will be required to offer all five federally designated levels of coverage and to offer/market plan designs identical to the Exchange designs in the non-Exchange market
- Policy issues the bills leave for resolution by the Exchange Board and future state policy makers include:
  - further methods to prevent the Exchange from becoming a high-risk dumping ground for insurers and health plans;
  - how the state will implement the Federal requirements for single point of entry for Medi-Cal; HFP; Exchange;
  - Specifics regarding how outreach will be conducted.
- Federal guidance expected:
  - Eligibility rules and processes
  - Essential benefits

California Exchange

- **Federal tax credits and cost sharing subsidies only available through Exchange.**
  - Tax credits based on income (133%-400% FPL) linked to price of 2nd lowest cost silver plan.
  - Cost sharing subsidies available based on income 133-250% FPL

- **Exchange must be "self-sustaining" by 1/1/2015**.

California: Rules for Plans

- Participating Plans must:
  - offer identical products inside and outside the Exchange (if in non-Exchange market)
  - offer Exchange products at all four actuarial values (bronze-platinum)
- The only plans that may sell "catastrophic" policies are those who participate in the Exchange
  - Product available outside the Exchange to those not eligible via the Exchange (undocumented persons)

Public Program Expansion
and
Delivery System Reform

Public Program Expansion & Delivery System Reform

- The new federal eligibility criteria expands the Medi-Cal program to cover individuals who are low income, non-pregnant, non-disabled adults – including uninsured childless adults – who are between the ages of 19-64. Affordable Care Act expansions will mean that most low-income Californians will qualify for Medi-Cal.

- New rules for calculation of household income "MAGI"

- Today Medi-Cal covers more than 7.5 million people. With the Patient Protection and Affordable Care Act-mandated expansion in 2014, an additional 1.6 million to 1.9 million people are expected to join Medi-Cal.

MAGI

- In 2014, Medicaid must use Modified Adjusted Gross Income, from the IRS, to determine income eligibility
- Prohibits the use of income or expense disregards, asset tests, except for a standard 5% income disregard
- States must ensure currently eligible individuals are not disadvantaged by the new eligibility methodologies

Maintenance of Effort (MOE)

- ACA requires that States maintain their current eligibility standards for Medicaid and the Children's Health Insurance Program (CHIP)
  - Medicaid adults until 2014
  - Children until September 30, 2019

- During the MOE periods, States are also barred from imposing new eligibility paperwork and other barriers

Eligibility & Enrollment On-line Portal

S1413 - The Secretary shall develop and provide
to each State a single, streamlined form that—

(i) may be used to apply for all applicable State health subsidy programs within the State;

(ii) may be filed online, in person, by mail, or by telephone;

(iii) may be filed with an Exchange or with State officials operating one of the other applicable State health subsidy programs; and

(iv) is structured to maximize an applicant's ability to complete the form satisfactorily, taking into account the characteristics of individuals who qualify for applicable State health subsidy programs.

Next Steps

Prepare to participate in the opportunities for comment and input by learning more about Health Care Reform

Upcoming Opportunities:

- Essential Benefits public comment to the Federal HHS
- Proposed regulations and public comments: Federal and State Level
- Input regarding the Implementation of State Exchanges
- Make women's reproductive health needs visible
- Advocate for missing benefits

Women's Health Issues

1. Ensuring all benefits packages truly meet the health care needs of women.

2. Comprehensive reproductive health care services are included

3. Benefits are truly affordable for women.

Resources

- http://www.iom.edu/Activities/HealthServices/EssentialHealthBenefits.aspx
- http://www.iom.edu/Activities/Women/PreventiveServicesWomen.aspx
- http://www.healthreform.gov/
- http://www.healthcare.ca.gov/
- http://www.healthlaw.org/
- http://www.grants.gov/
- http://healthreform.kff.org/
- http://www.amchp.org/

Sources

Alina Salganicoff, PhD

Vice President and Director, Women's Health Policy and Kaiser EDU.org Kaiser Family Foundation, Menlo Park, CA, ***Women and Health Care Reform***

Tracy A. Weitz, PhD, MPA Associate Professor, Department of Obstetrics, Gynecology and Reproductive Sciences; and Director, Advancing New Standards in Reproductive Health (ANSIRH) Bixby Center for Global Reproductive Health

Sandra Shewry, California Health and Human Services (CHHS) Consultant 2010

National Health Law Program (NHeLP)

California
Office of Women's Health

Terri Thorfinnson,J.D
Chief
Terri.Thorfinnson@dhcs.ca.gov

OWH Websites
www.dhcs.ca.gov
www.cdph.ca.gov/programs/OWH

Terri Thorfinnson, J.D. bio

Ms. Terri Thorfinnson, Chief of the Office of Women's Health within the California Department of Health Care Services and the California Department of Public Health, serves as the senior level policy advisor for the both Directors and Departments on women's health issues. She has emerged as a leader on the implementation of the Affordable Care Act and its impact on women's health, submitting joint department comments to the Institute of Medicine's Committee on Preventive Services for Women. She is a popular speaker on a wide range of women's health issues and policy. She oversees the Gynecological Cancer Information Program and women's health research and publications. Under her leadership, the Office of Women's Health published the award winning ***California Adolescent Health 2009 and the California Women's Health 2007*** reports***;*** **Data Points: Results from the California Women's Health Survey 2006-2007**;***2005, 2004-2004*****; *Women's Health: Findings from the California Women's Health Survey 1997-*2003;and *The 2007 Directory of Health Programs Serving Women*.** The women's health month awareness campaigns have received National Public Health Information Coalition Award for Excellence in Public Health Communication recognition.

A well-respected health policy advisor and strategist, she has served in numerous senior level health policy positions including for her own consulting firm Progressive Strategies, Lia Margolis and Associates, the California State Rural Health Association, the California Primary Care Association and other health advocacy organizations. Her policy work with community clinics and Federally Qualified Health Centers produced landmark legislation for clinics including the Cedillo-Alarcon Community Clinic Investment Act of 2000 which has become the model for capital infrastructure funding for community clinics. Prior to her state level health policy work, she worked in senior level policy positions for Planned Parenthood in both New York and California. Her advocacy work received Planned Parenthood's national excellence award for her reproductive health advocacy work in California.

She received her J. D. degree from Franklin Pierce Law Center in Concord, New Hampshire and her B. A. degree from University of Wisconsin, Madison in political science and anthropology. She is a member of the New York bar.